

2022

Bloomberg Law

Legal Ops + Tech Survey



Around 90% of respondents believe that legal tech is important to meeting client demands and improving legal services.

Bloomberg Law surveyed 190 legal professionals (113 law firm and 77 in-house) in March 2022, about legal operations and legal technology - including technology usage, efficiencies, barriers, metrics, decision-making responsibilities, and practice management. This summary report highlights the topline results from the survey.

Only one-third of respondents say their organization has a formal process to measure the value of legal operations – and the ways that they measure value differs. In-house respondents focus on spend, while law firm respondents focus on timekeeping measures. The main goals of legal ops also differ between in-house and law firms; increasing efficiency and reducing costs are key in-house, whereas increasing profits and revenue reign at firms.

Does your organization have a **FORMAL PROCESS** in place to measure legal operations value?

33%
YES



30%
NOT SURE



37%
NO

How does your organization **MEASURE THE VALUE** of legal operations?

IN-HOUSE

Outside counsel legal spend	55%
In-house legal spend	46
Budget-to-actual spend comparison	29
Number of matters handled internally	28
Total cost of resolution of legal matter/dispute	25
Legal spend as a percentage of company revenue	23

LAW FIRM

Attorney time spent on billable matters	43%
Write-downs of attorney time on routine tasks	42
I don't know	34
Attorney time spent on non-billable matters	29
Time spent per legal matter/dispute	24
Budget-to-actual spend comparison	20

What are the organization's top **LEGAL OPERATIONS GOALS** this year?

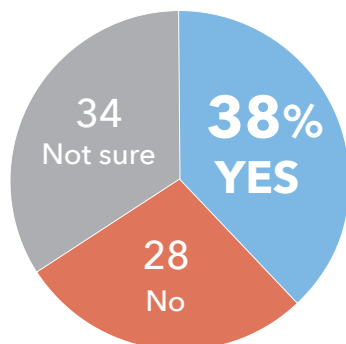
IN-HOUSE

Increased efficiency	48%
Reduced costs	34
Technology implementation	25
Contract management	25
Knowledge management	25
Budget management	20

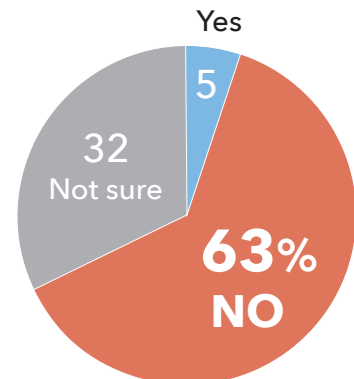
LAW FIRM

Increased profitability	43%
Increased revenue	40
Business development	36
Increased efficiency	24
Reduced costs	22
Diversity & Inclusion	21

Does your organization have formal metrics in place to help **DRIVE BUSINESS DECISIONS**?

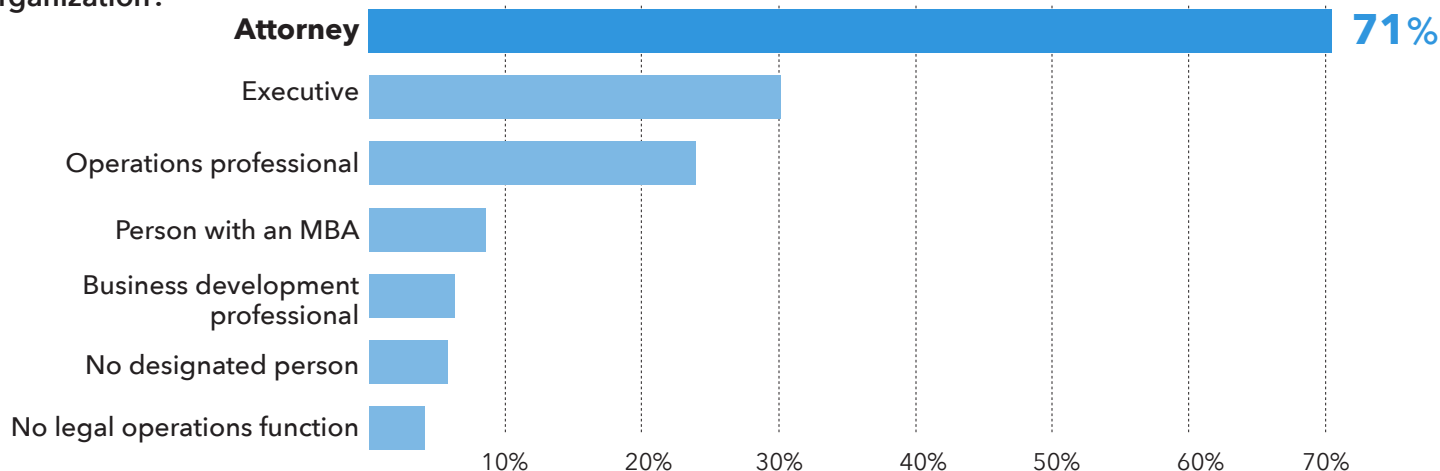


Does your organization use an outside vendor to evaluate **SPENDING ON LEGAL TECH**?



71% of respondents indicated that an attorney at their organization leads their legal operations. These leaders are usually responsible for decisions regarding budget management, technology implementation and billing. Interestingly, operations professionals themselves make up less than 25% of those leading legal ops at responding organizations.

Which of the following describes the person or people **leading the legal operations** function at your organization?



79% say a group made of only attorneys can be a considered a multi-disciplinary team.

In which areas do the person(s) in the legal operations function at your organization have **DECISION MAKING RESPONSIBILITY**?

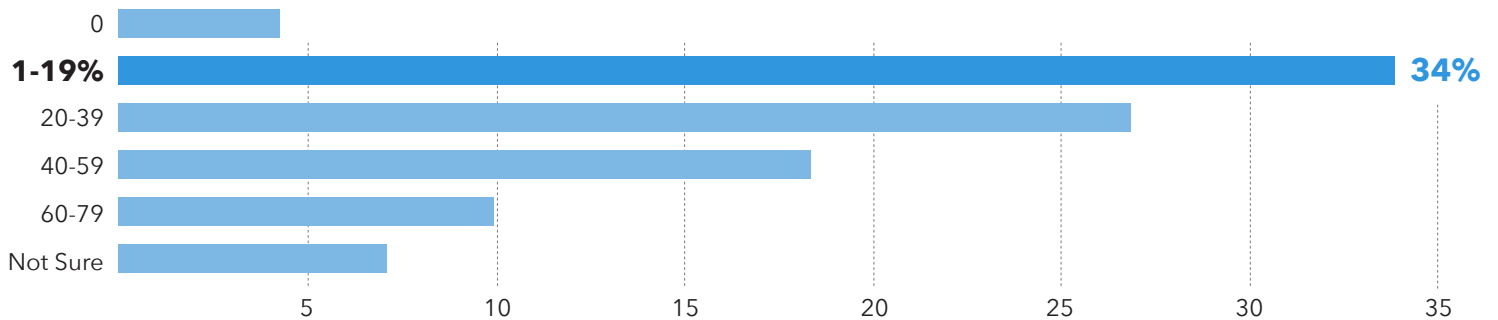
Budget Management	61%
Technology implementation	59
Billing	52
Vendor management	52
Records management	50
Training	50
Staffing	50
Project management	44
Knowledge management	42
Procurement	41
Outside counsel management	41
Contract management	39
Diversity & Inclusion	39
Business development	38
Innovation	36
E-Discovery Strategy	31
Contract or Contingency staffing	30
They have no decision-making responsibility	9

WHICH AREAS or FUNCTIONS are you regularly working with as part of a matter or project team?

Attorneys from other practice areas ...	56%
Business development	45%
Information Technology	42%
Legal operations	35%
Human Resources	34%
Attorneys from other organizations	26%
Innovation	18%
Don't regularly work with other areas/ functions for matter or project teams ...	11%
Alternative Legal Service Providers	7%

On average, respondents report that just under **one-third of their work is performed under an alternative fee arrangement (AFA)**, and lawyers most often report using flat fee AFAs over the past year. Two out of every five lawyers say they are currently outsourcing some portion of their services or legal work.

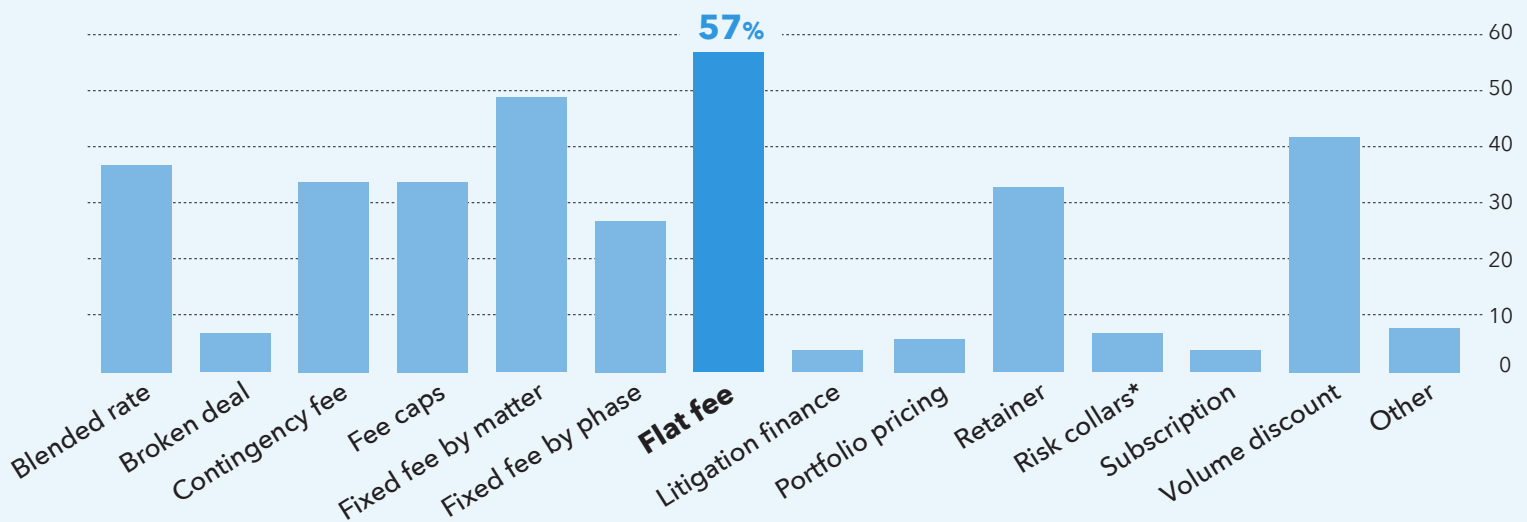
What percent of your organization's work do you send to **OUTSIDE COUNSEL**?



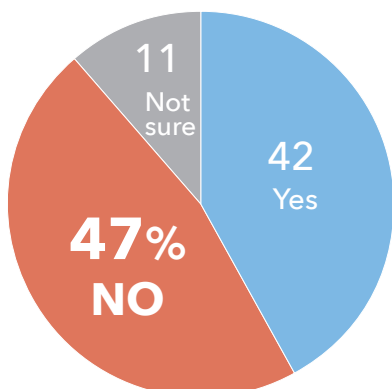
29%

The amount of work performed under an alternative fee arrangement

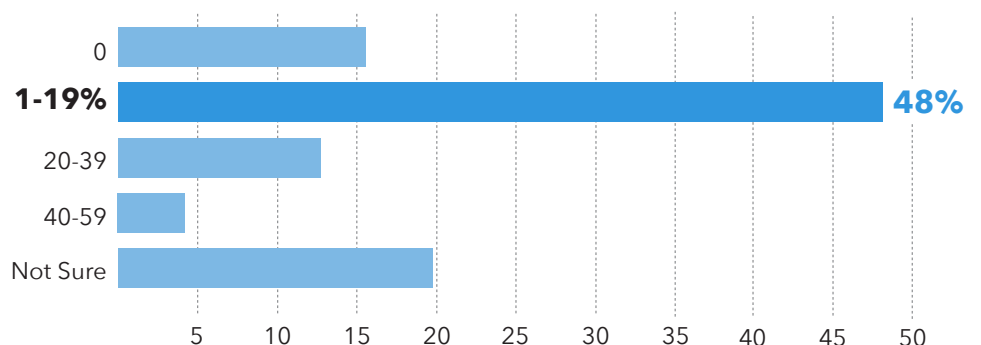
What **TYPES OF AFAs** have you used during the past 12 months?



Are you **currently outsourcing** legal work or services?



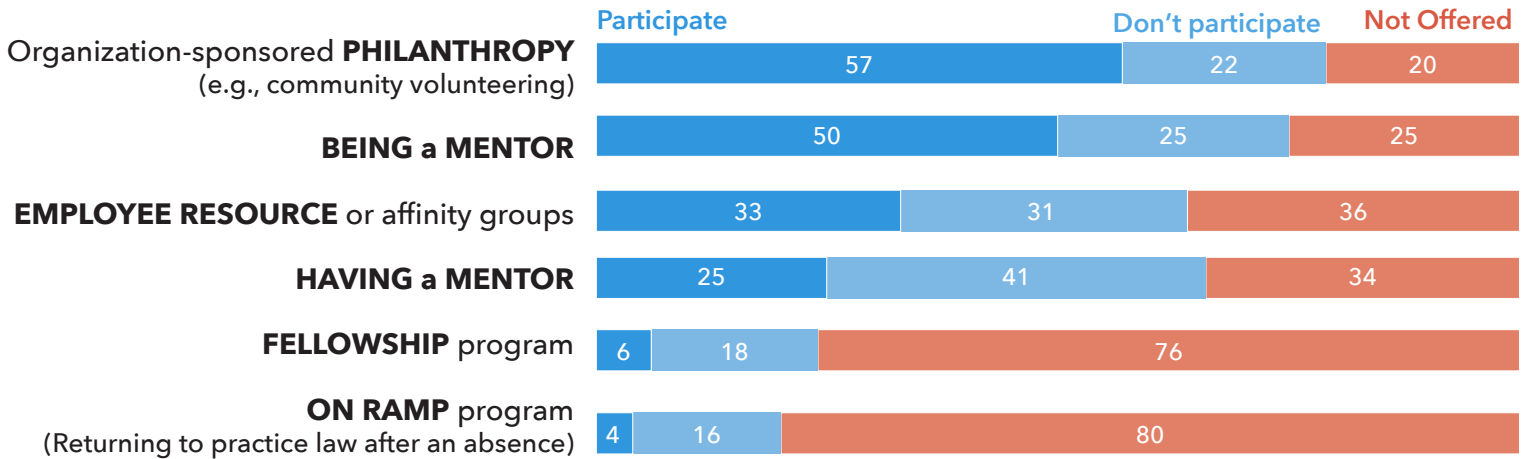
How much of your organization's legal work or services do you send to **ALTERNATIVE LEGAL SERVICE PROVIDERS (ALSPs)**?



*Hourly rate-based with bonus to firm if under-budget, and discount to client if over-budget

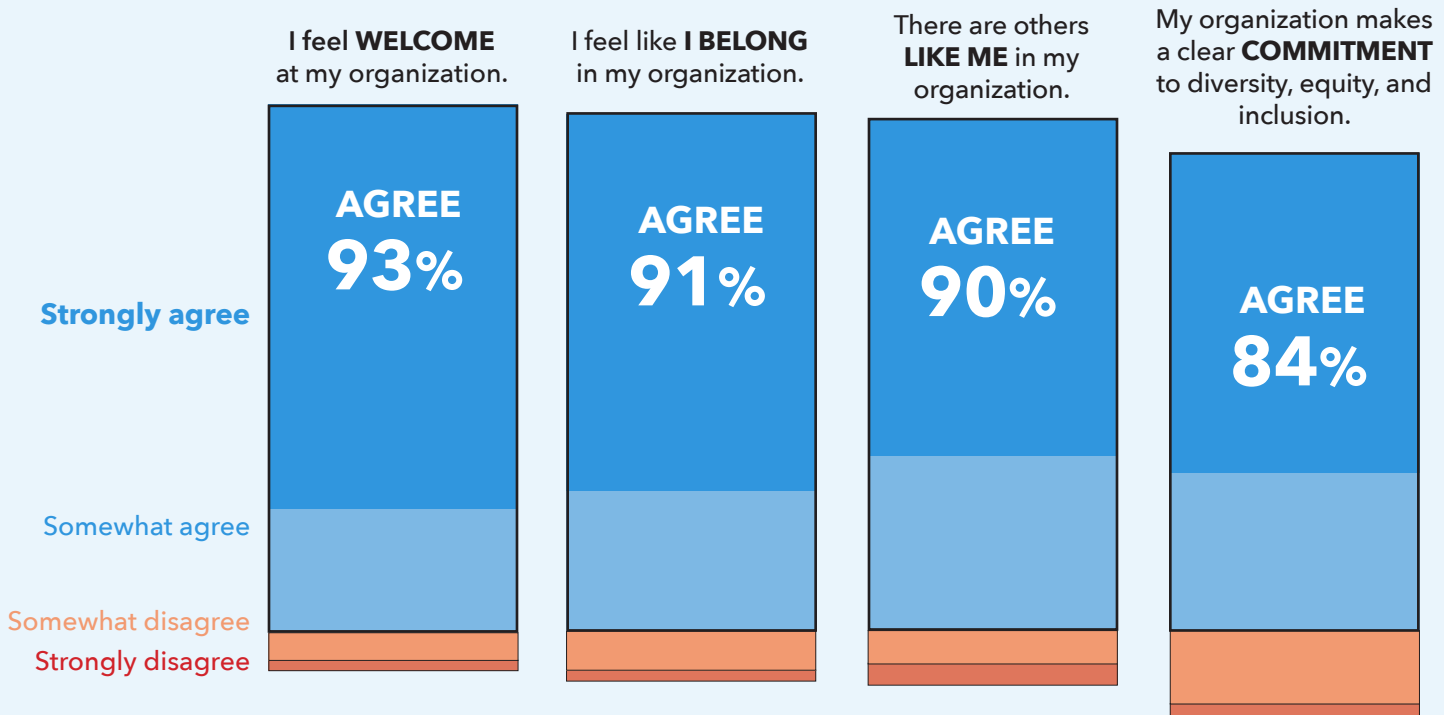
Approximately eight out of ten respondents report having organization-sponsored philanthropy, with over half reporting that they participate. When it comes to mentorship opportunities, 75% of respondents report having the opportunity to become a mentor, and 66% report the opportunity to be mentored by someone else.

For each of the following, please indicate if you **PARTICIPATE**, if it is offered but you **DO NOT PARTICIPATE**, or if it is something **NOT OFFERED** at your organization.



Over 90% of respondents indicate that they feel welcome, a sense of belonging, and that there are others like themselves at their organization. Diversity, equity, and inclusion efforts are not going unnoticed as 84% feel their organizations have a clear commitment to DEI.

How much do you **AGREE OR DISAGREE** with the following statements about inclusivity at your organization?



While the implementation of legal technology continues to become more common, developing processes to measure the value and efficiency of such technology have yet to catch up. Similar to last year, over 70% of respondents either do not currently have a process in place to evaluate the legal technologies they are using or are just not sure if a process exists.

Does your organization have a **FORMAL PROCESS** to evaluate your legal technology?

41%
NO



33% NOT SURE



26%
YES

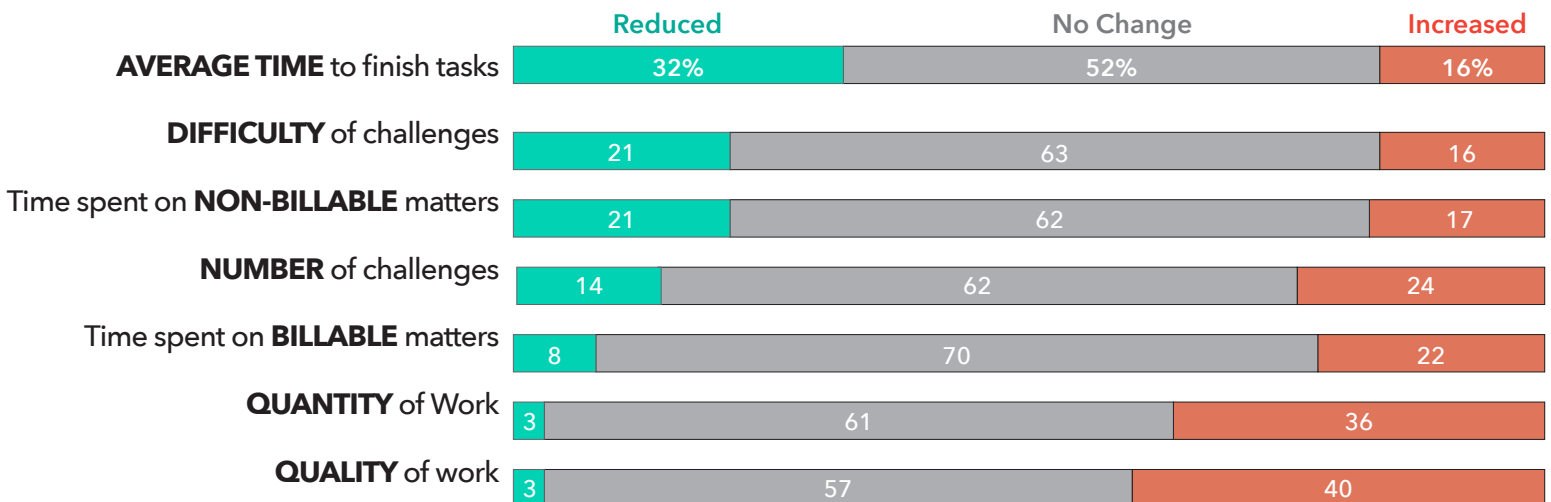
How does your organization **MEASURE THE VALUE** of its legal technology?

Cost of legal technology	61%
Internal (attorney and staff) feedback on use of legal technology	48
Average time to completion for tasks	30
Return on investment (ROI) of legal technology	27
Scalability of legal technology	25
Attorney time spent on billable matters	23
Attorney time spent on non-billable matters	22
Overall legal department spend	21
Savings in billable time due to legal technology	21
Attorney well-being	20
Attorney time spent working remotely	18
Value to quality ratio of legal technology	18
Savings in non-billable time due to legal technology	18

GENERALLY SPEAKING,
how proficient would you say
most attorneys at your firm are
with using legal technology?

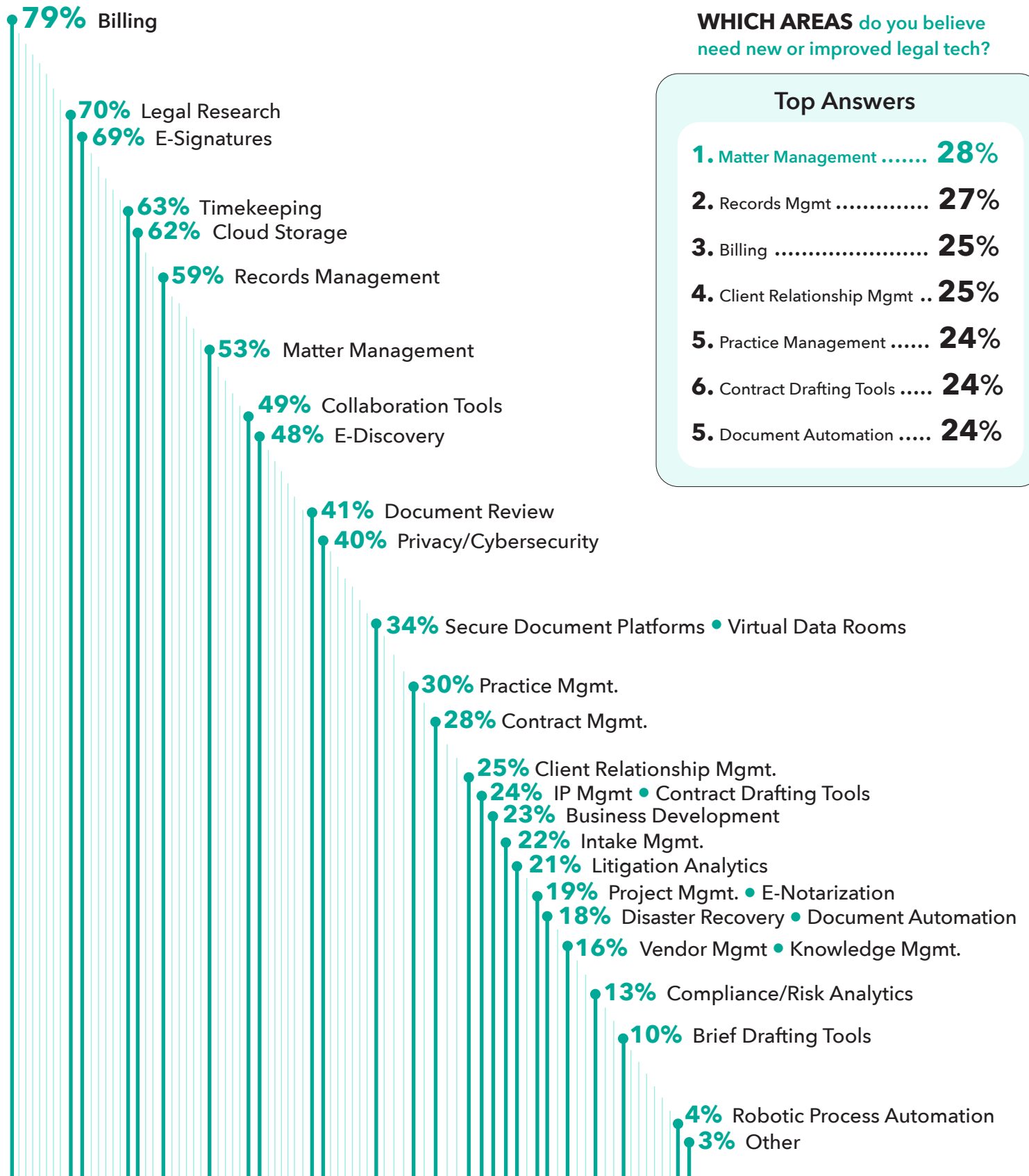
- 5. (Very proficient) 4%
- 4. 29%
- 3. 50%
- 2. 15%
- 1. (Not at all) 2%

In the past 12 months, **which aspects** of your job have been increased or reduced thanks to using legal tech?



For the third year in a row, four out of five of respondents reported using legal technology to assist with billing.

WHICH LEGAL TECHNOLOGY TOOLS are you or others in your organization currently using?



Respondents most often state **improving productivity and workflows** as the top reasons for their organizations' use of legal tech. This year, meeting client and company demands took the third spot, ahead of improving work quality. Consistent with the past two years, a lack of tech-savvy users was cited as the main barrier to their organizations' legal tech use.

What are some REASONS you or your organization use legal tech?



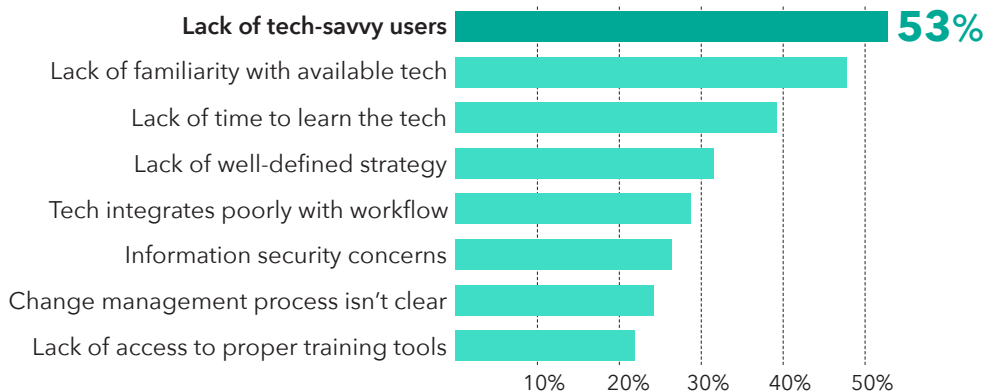
Are you AWARE of the ethical implications of using machine learning or AI in your practice?

- 1. Very Aware **11%**
- 2. Somewhat **48%**
- 3. Not Very **30%**
- 4. Not At All **11%**

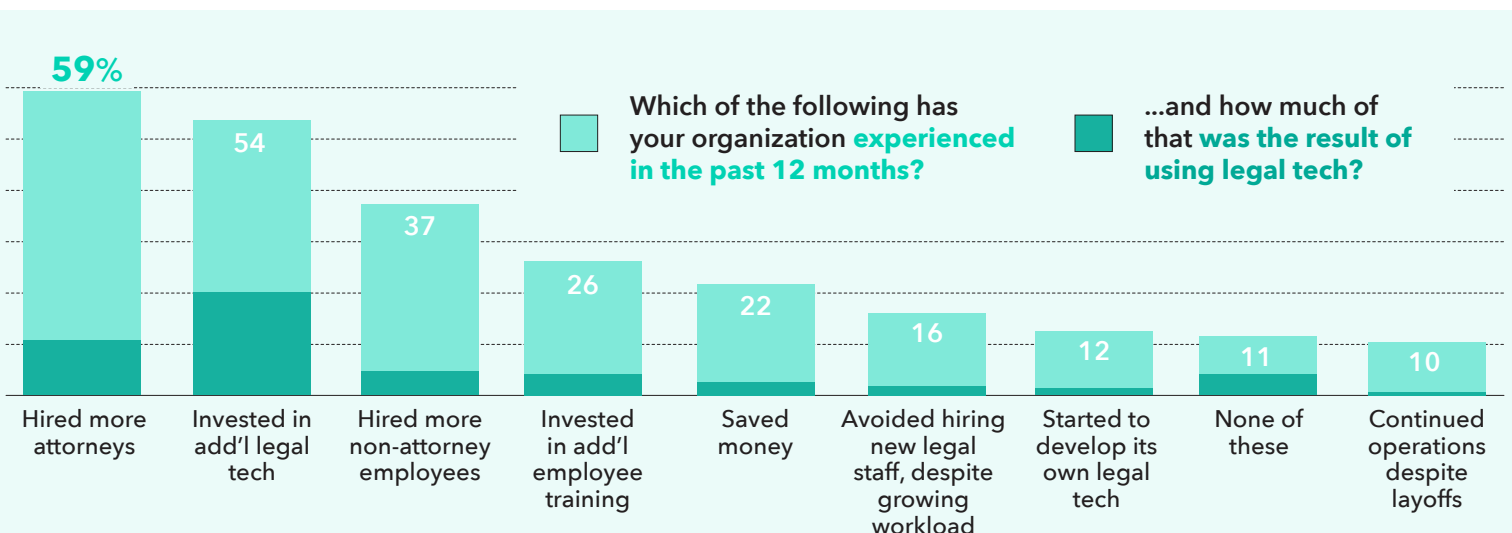
...and how CONCERNED are you about those ethical implications?

- 1. Very Concerned **5%**
- 2. Somewhat **36%**
- 3. Not Very **41%**
- 4. Not At All **18%**

What are some BARRIERS to legal tech use that your organization faces?

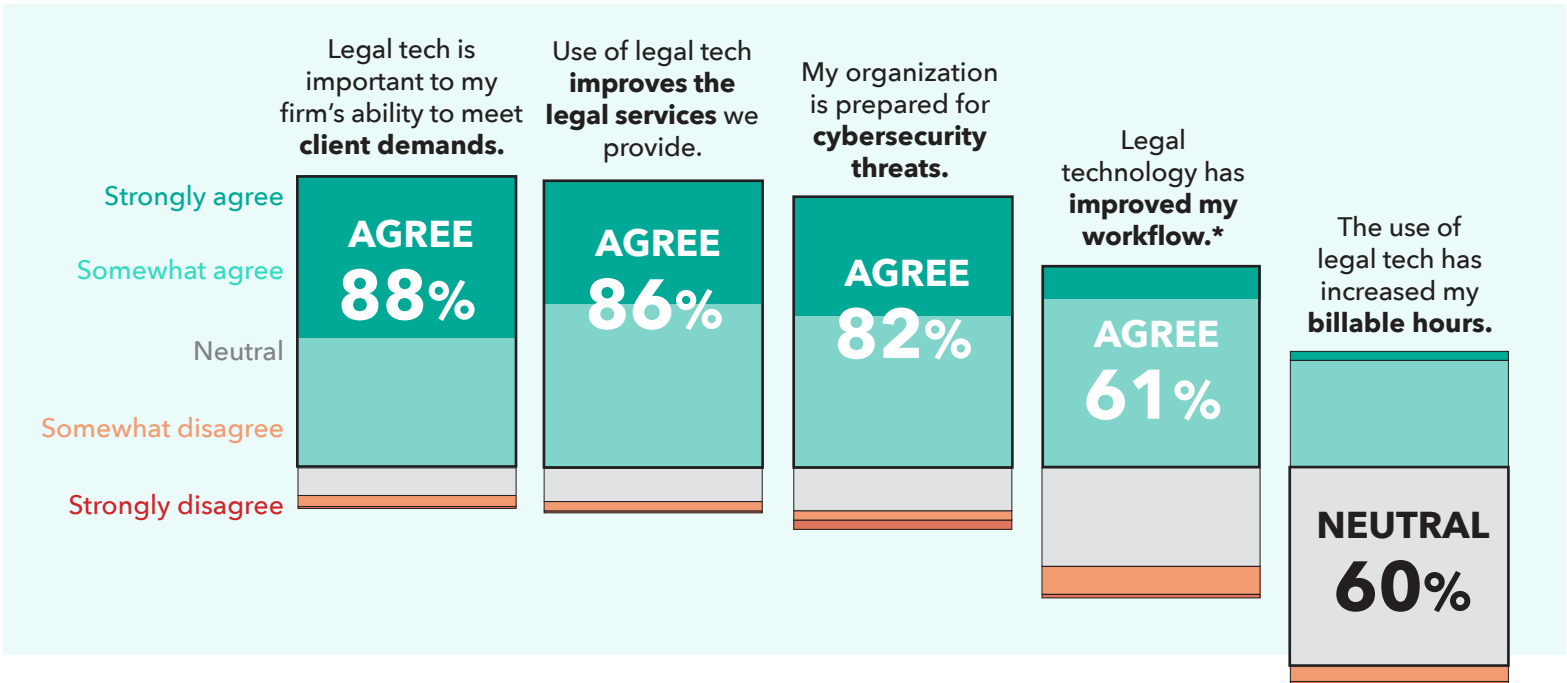


Which of the following HAS YOUR ORGANIZATION EXPERIENCED in the past 12 months?



Only 53% of respondents feel they were sufficiently trained on their legal tech.

How much do you **AGREE OR DISAGREE** with the following statements about legal technology?



What **REQUIREMENTS** does your legal department have regarding outside counsel's use of legal technology?

We do not have any requirements regarding outside counsel's use of legal technology	34%
We have guidelines in place for how outside counsel can use legal technology	27
We mandate that outside counsel use certain types of legal technology	19
We require outside counsel to discuss the legal technology they plan to use	15
We have restrictions on types of legal technology outside counsel can use	8

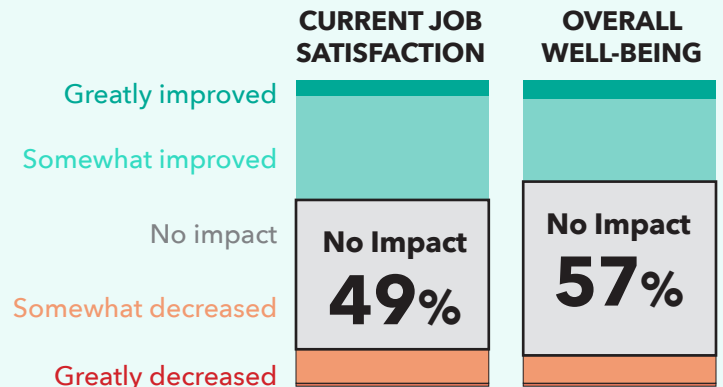
How would you rate your job satisfaction & overall well-being?

7/10 (Average)

In which areas has your organization seen an **INCREASE IN LEGAL TECHNOLOGY**?*

Overall legal technology spend	48%
Number of software applications	45
Number of software licenses	38
We have seen no increases in legal technology in the past 12 months	31
Hours of training offered	23

How has the use of legal technology impacted **YOUR JOB SATISFACTION AND OVERALL WELL-BEING**?*

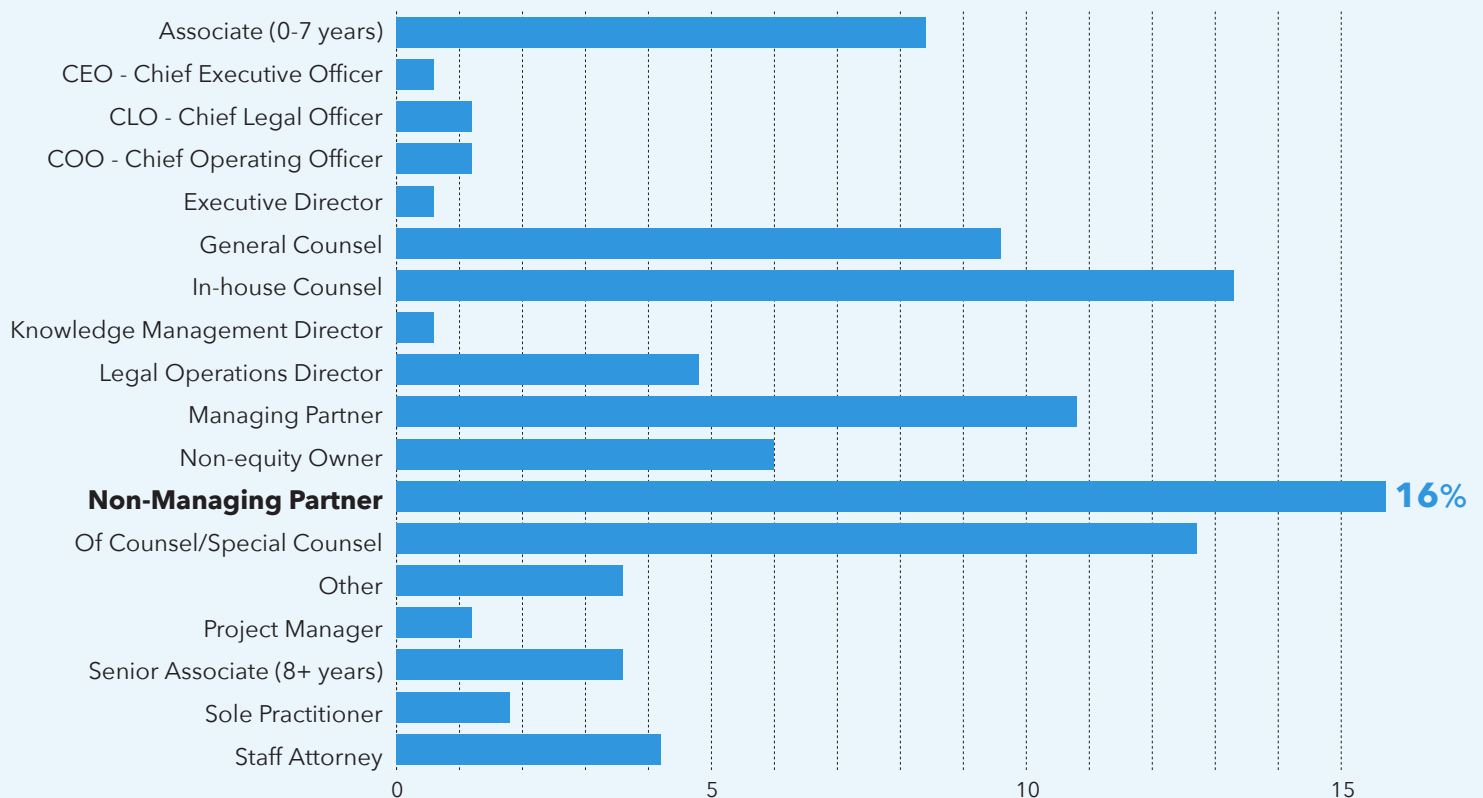


*Over the past 12 months

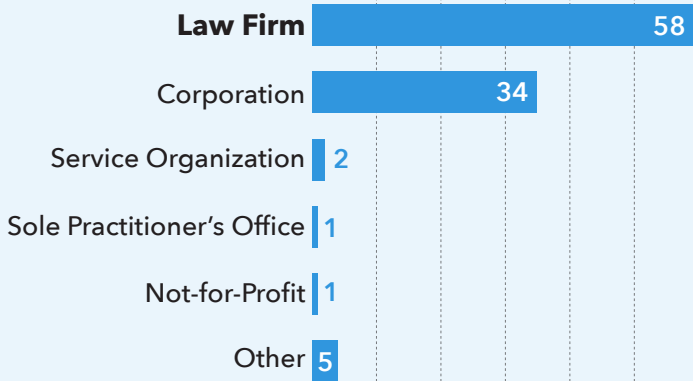
In which of the following **areas of law** do you or the attorneys you support practice?

Litigation (Business & Tort)	51%	Securities/Capital Markets	19
Corporate	49	Bankruptcy/Restructuring	18
Commercial Contracts	48	Antitrust/Competition	16
Labor & Employment	40	Construction/Building Management	16
Intellectual Property - Copyright/Trademark	37	Environmental	16
Real Estate	36	Trusts & Estates	16
Compliance	33	Personal Injury	15
Mergers & Acquisitions	32	Health/Healthcare	15
Intellectual Property - Patents	28	Litigation (International)	12
Insurance	28	Private Equity	12
Litigation (Other)	25	Securities Litigation/SEC Enforcement	12
Banking/Finance	25	E-Commerce	11
Employee Benefits/Executive Compensation	25	Immigration	11
Alternative Dispute Resolution (ADR)	24	Workers Compensation	11
Tax	24	Energy	9
Privacy/Cybersecurity	24	Family Law	7
Landlord/Tenant	21	Criminal/White Collar/Investigations	7

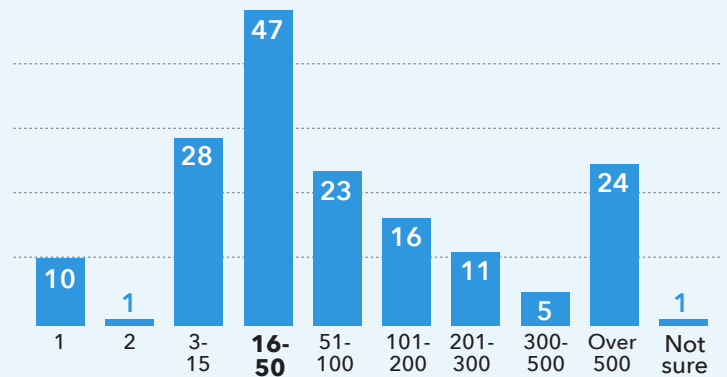
Which of the following best describes your **professional title**?



Which of the following best describes the **type of organization** in which you work?

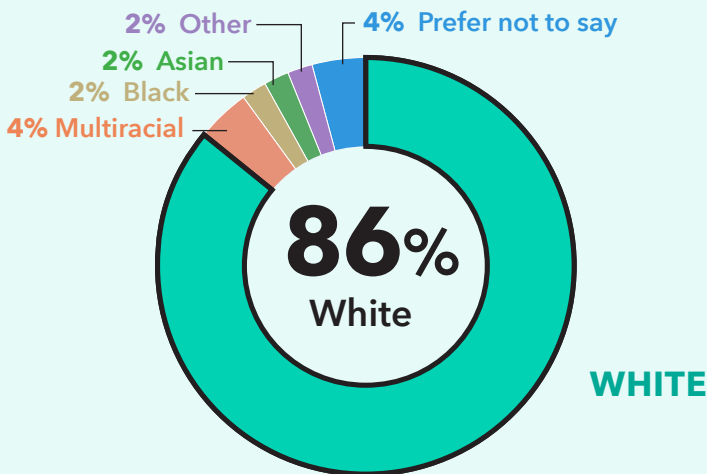


How many practicing attorneys work for your organization in total?

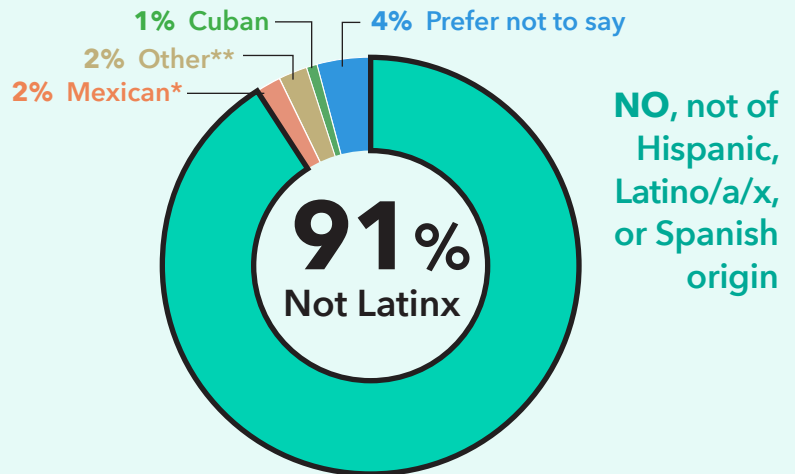


PERSONAL DEMOGRAPHICS

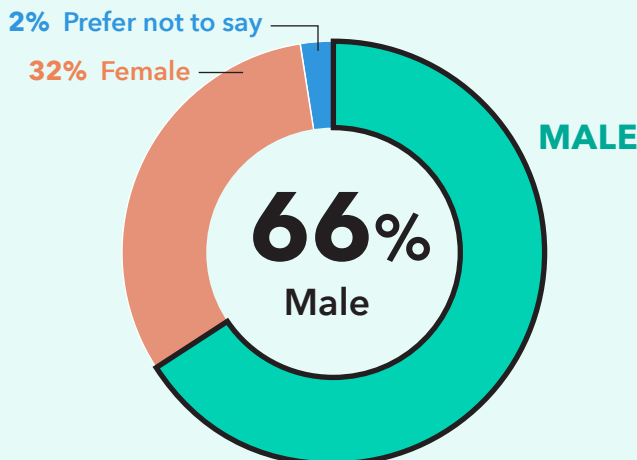
What is your **RACE/ETHNICITY**?



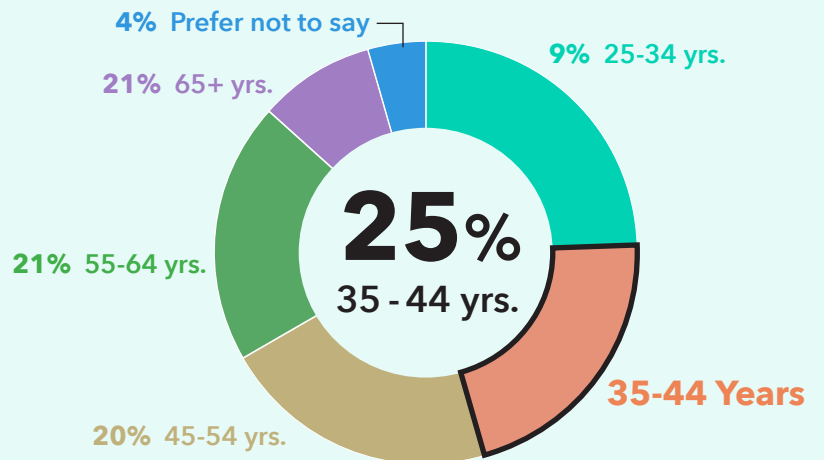
Are you **HISPANIC/LATINX**?



What is your **GENDER**?



What is your **AGE**?



*Mexican total includes "Mexican American" and "Chicano/a/x." **Other includes other people of Hispanic, Latino/a/x or other Spanish origin.